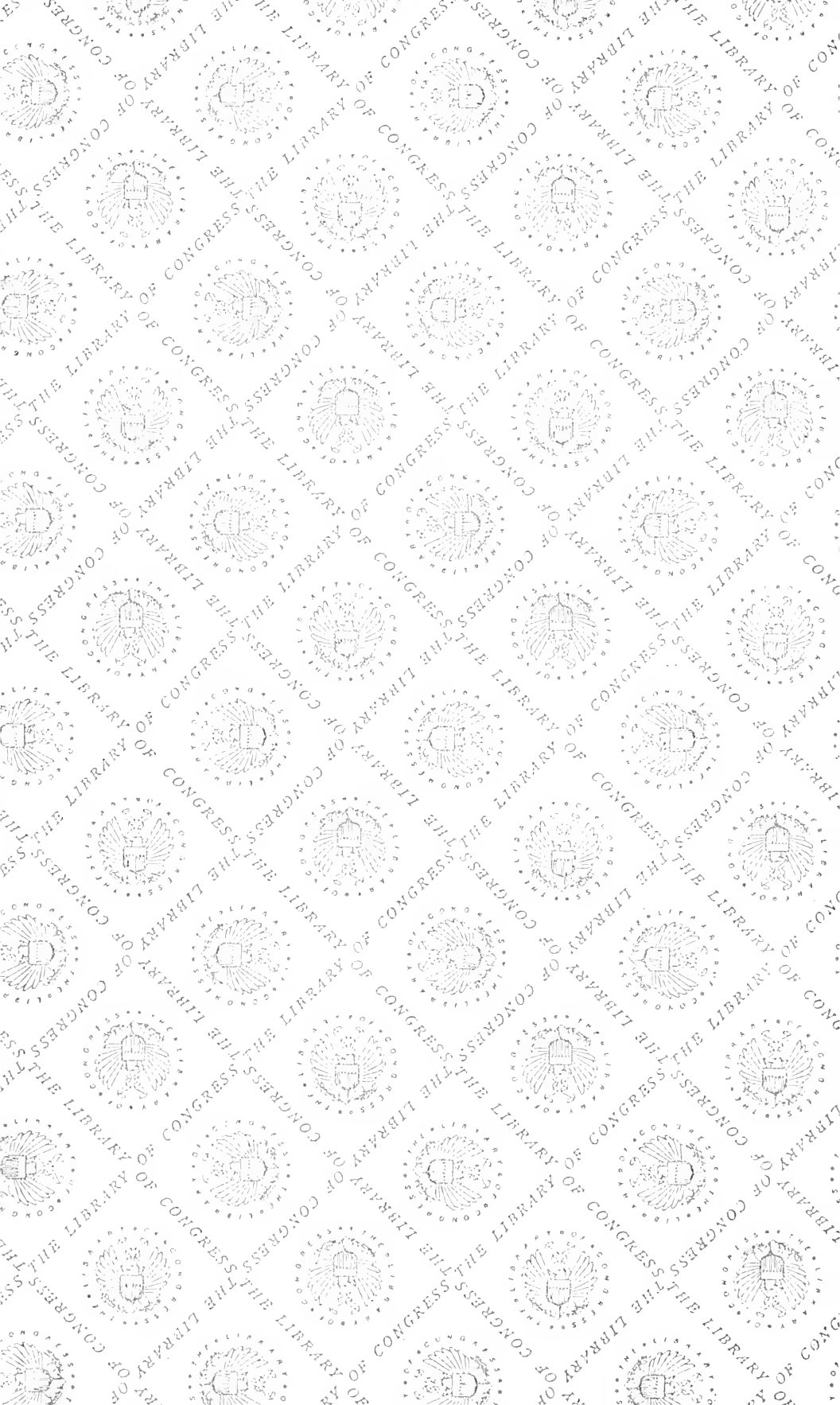
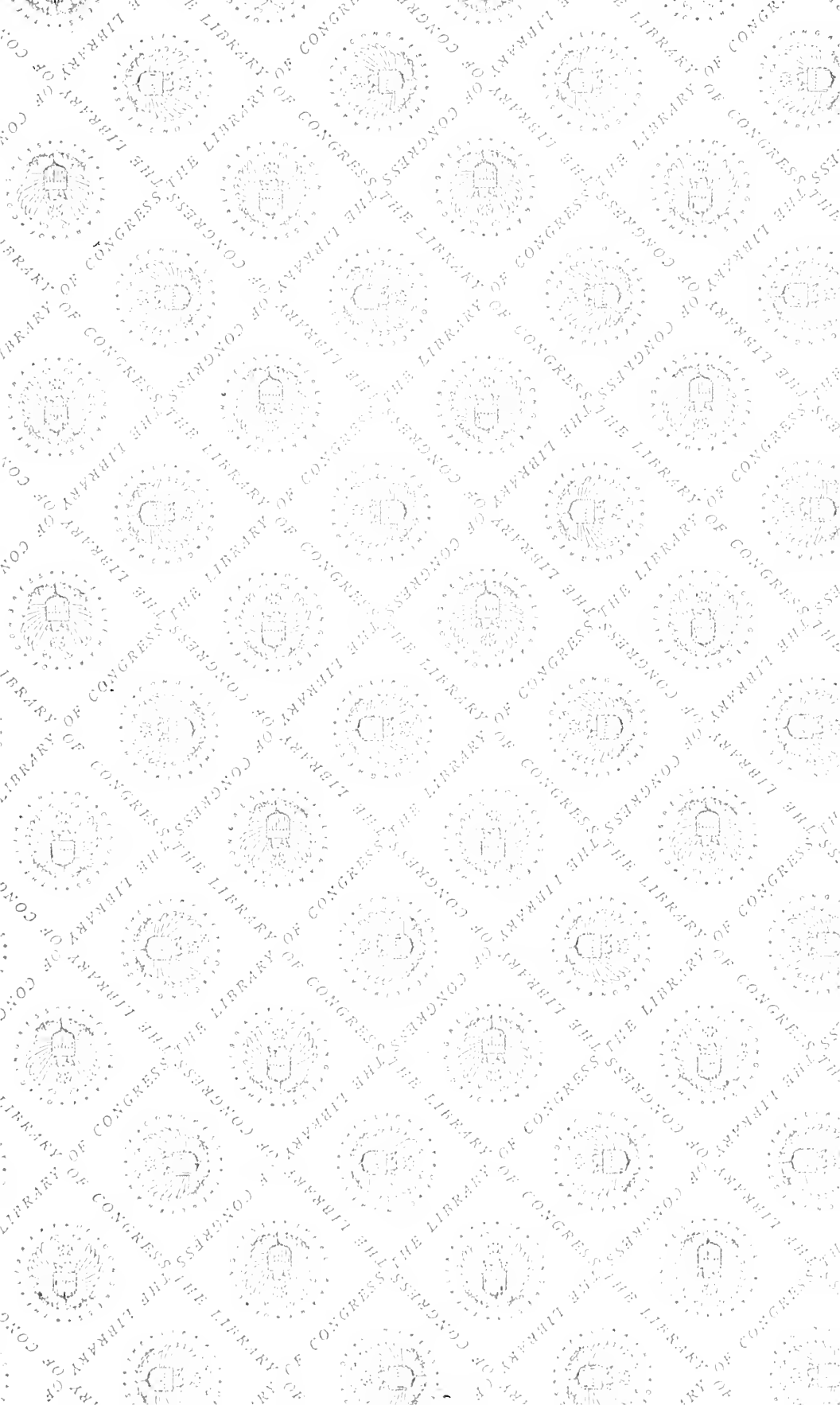


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American Antiquarian Society

ANDREW CRAIGIE AND THE
SCIOTO ASSOCIATES.

BY

ARCHER B. HULBERT

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REPRINTED FROM THE PROCEEDINGS OF THE AMERICAN ANTIQUARIAN SOCIETY
FOR OCTOBER, 1913.

WORCESTER, MASSACHUSETTS, U. S. A.
PUBLISHED BY THE SOCIETY
1913.

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ANDREW CRAIGIE AND THE SCIOTO ASSOCIATES.

BY ARCHER B. HULBERT.

The American Antiquarian Society is fortunate in possessing in its archives three large volumes containing the correspondence of Andrew Craigie of New York and Cambridge with a large circle of business acquaintances, especially during the first years of the life of the Republic, 1787-1790. The most important of these correspondents were William Duer, the speculating friend of Hamilton's, who may be called, in modern phraseology, the first American plunger, William Constable, Christopher Gore, Joel Barlow, Fisher Ames, Brissot de Warville, the French traveller and financier, and a score of less well-known men active in the financial life of the country at this interesting period. These "Craigie Papers," as they are called, are the more valuable because they constitute a very mine of information regarding the details which occupied the attention of an alert investor and speculator in the early days of our economic and financial history at the time when Hamilton was establishing the financial basis of our Nation. Possibly the correspondence of no other man of the period engaged actively on the market (not occupying official position) equally voluminous exists today.

Andrew Craigie was the typical speculator and represents accurately the New England attitude toward the Hamilton scheme of funding the national debt and the creation of the powerful United States Bank. He had the shrewdness of the Yankee, all the versatility of resource, all the far-sightedness and with this the ardent

desire to be true to his friends and fair to all with whom he dealt. You will remark that I said he had the "desire" to be true and fair; it is easy to criticize, especially at a distance of a century and in matters of which we can at best have but a very imperfect knowledge.

The "Craigie Papers" contain very few letters to or from William Duer; living together in New York, the office of Duer was the scene of their relationship and Craigie was at home in the house and family of the first noted New York speculator. Their relationship must have begun soon after the close of the Revolution, for we find Craigie in the summer of 1787 going to London as Duer's confidential agent to Daniel Parker. His letter of August, 1787 is more valuable in showing his relation with Duer than Parker's relations with Duer. "I hope you have written to me," reads this letter, "fully respecting the several Objects of Speculation which we have so often conversed on. You and I have gone some great lengths in giving each other proofs of Confidence and I do not believe either of us will ever have occasion to repent of it. I do not pretend however to be answerable for the success of my conduct but only for the principles which govern it, these being always consistent with the assurances I have made you will secure me your friendship whatever be the Event of our Operations—but it is with great satisfaction I inform you that every thing appears favorable to our views. Do my friend devote as much of your time as you can possibly spare to the Objects we have in view—give me clearly the plans you have digested—and then blame me if from inattention they are not executed." This letter is of commanding interest because showing the lack of information Craigie had; it portrays very clearly the kind of a man William Duer was and his secretive methods even with intimate business acquaintances.

The "Craigie Papers" give us little knowledge concerning the Duer-Parker combination, but Craigie's acquaintance with Parker resulted in the meeting in America of Craigie and the French traveller and financier

Brissot, whose investments in American securities were financed by Craigie with ability if not without great difficulty and anxiety. The papers relating to the Brissot investments in the United States Liquidated Debt seem to lie between the American Antiquarian Society archives and the New York Historical Society Library; some of the latter seem to have been taken from the Craigie letter books. As a specimen of speculation in the exciting days when the funding of our debt was a great national question, these letters and memoranda are of great value and it is fortunate, in view of the fact that Duer died in jail, and Craigie and Flint both failed and Brissot lost his head in the days of guillotine activity in Paris, that these are not more scattered than they are.

Again, Craigie had important relations with Robert Morris and Phelps and Gorham concerning the purchase of New York lands. It is unfortunate that only a few of the "Craigie Papers" relate to these notable land speculations; those which do are of priceless value. There are a mass of letters between Craigie and his brother-in-law Foster concerning the purchase and furnishing of the now famous Craigie house in Cambridge, where the almost penniless speculator spent his last years and from which, rumor still has it in Cambridge, he often dared not stir because of the lynx-eyed sheriff's careful watch. This interesting house has been carefully described, evidently with these papers as the basis of investigation, in the American Antiquarian Society *Proceedings* for April, 1900.

About 1784 Craigie was turning from the wholesale apothecary trade to the general field of speculation. In the year following, for instance, he was sending gunpowder tea to China and elsewhere and broadening his interests generally until by 1790 his account books, also fortunately preserved, show a multitudinous business connection and a correspondence with upwards of fifty persons, of which some six hundred letters still exist. The bulk of this correspondence may be divided

into three classes: first, private business and family letters; second, letters concerning speculations carried on by the Trustees to the Proprietors of the Scioto lands; and third (really a sub-division of the second), letters relating to the French emigrants *en route* from France to the Scioto lands.

I have elsewhere treated the general speculations of the Trustees in a paper entitled "The Methods and Operations of the Scioto Group of Speculators," fully one-third of the facts being derived from the "Craigie Papers." In the present paper I wish to point out the value of the Craigie letters concerning the French emigrants; for although hundreds of articles, books and pamphlets have covered their unique story, a new series of concrete facts are to be found in the "Craigie Papers." The national service which the American Antiquarian Society offers to perform in historical fields is well illustrated in the present instance, for a true history of one of the unique phases of Ohio history can only be written within these walls.

One hundred and twenty-seven years ago last January in a Worcester County farm house, that of General Rufus Putnam in Rutland, General Putnam and General Benjamin Tupper issued a call for a meeting of Revolutionary soldiers holding Continental certificates to elect representatives who should meet and form an Association to purchase from the United States a great tract of land on the Ohio River. On March 1, 1786, the meeting of delegates took place at the Bunch of Grapes Tavern in Boston, where on March 3, was formed the Ohio Company of Associates. By July of the year following, the agents of this Association, notably the Rev. Manasseh Cutler of Ipswich, secured both the contract for the purchase of western lands and an organic law, the Ordinance of 1787, to govern the region between the Ohio and Mississippi rivers and the Great Lakes. This was a diplomatic feat of no small magnitude and it could not have been accomplished without the aid of the shrewd New York speculator, William Duer. The

Associates could not agree to purchase more than a million and a half acres at 66 $\frac{2}{3}$ cents per acre. The Committee of Congress held that the policy to sell the ceded western lands to pay the Revolutionary debt needed the *éclat* of a more notable transaction than the sale of a paltry one-and-one-half million acres. Duer agreed, however, (provided the Associates would contract for six million acres) to take the residue, four and one-half millions, as a speculation, paying for it at the same rate in six installments. Two contracts therefore were signed by Manasseh Cutler and Winthrop Sargent, one for the lesser acreage on behalf of the Ohio Company of Associates, and one on behalf of themselves and unnamed associates for four and one-half million acres.

Thus there came into existence what has without authority been called the Scioto Company from the fact that the acreage called for in the option included rich Scioto Valley prairie lands. All that had existence in fact was the option on the lands. The Trustees to the Proprietors of the Scioto Lands owed the long terms of payment secured to the high character and known honesty of the men who represented the Ohio Company of Associates who signed the original contract and who paid half a million dollars down, a quarter of which Duer supplied. These trustees were William Duer and certain of his friends, notably, Andrew Craigie and Royal Flint, also a Boston merchant living in New York.

Selling western lands to foreigners or securing foreign labor to clear and till western land was a popular policy. From the time of William Penn the colonies and the eddyding frontier had heard alien tongues; Washington seriously considered the importation of Palatines to people his own western lands. The speculation entered into by Cutler and Sargent in co-operation with Duer, Flint and Craigie as the active partners, was originally planned as a colonization scheme; a European agency was mentioned prior to the securing of the contract of sale from Congress.¹ The Scioto speculation was, of

¹ *Life of Manasseh, Cutler*, I, ch. xii.

course, one of the schemes familiarly discussed between Duer and Craigie, and Parker participated not only in the tricky plan of borrowing money abroad by giving title to unpaid-for-lands as security, but in securing emigrants. Flint first, then Joel Barlow, was suggested as agent to Europe, and Barlow at length sailed in the spring of 1788. The leading facts of Barlow's experiences have been brought out by Belote, Todd, Sibley and others; by dint of exceeding his instructions through lack of proper advice from America, some six hundred French emigrants were crossing the Atlantic in the spring of 1790, arriving at Philadelphia, Alexandria, Va., and elsewhere, from March to May. Undoubtedly a quantity of false sympathy has been wasted on these emigrants. It is probable that the *Compagnie du Scioto*, formed in Paris, exaggerated the prospects of emigrants to the Scioto region, but those who have examined the information have done so with the purpose of exposing exaggeration; the result being equal exaggeration. For instance, few or no accounts spare pathetic adjectives in commenting on the fact that the emigrants had invested their earthly all in their adventure, whereas, we have absolute proof that little or no actual money was needed to purchase the land-claims which they acquired.²

Barlow did not seem to grasp the idea that he represented speculators who only desired to turn over their money; Duer never for an instant had the notion of co-operating in good faith with the Ohio Company of Associates by developing his purchase. It is a very pretty illustration of the age to see on the one hand the plain Worcester County farmers composing the Ohio Associates go ahead and send their ox-teams across the Allegheny snows, float their boats on the ice-filled Ohio, found their city of Marietta and organize a government on the basis of their option on a million and a half acres and make a reasonable success of their venture, while, on the other hand, the New York speculator, not intend-

² *Patriote Francais*, Apr. 29, 1790.

ing to create a dollar of wealth, schemes his schemes like an 18th century Get-Rich-Quick-Wallingford and flounders about in the net of his selfish speculations until the prison cell and death complete his gigantic failure.

Barlow decided that if he could not sell the option *en bloc* he had better make a lodgment of Frenchmen at any price on the lands in question. If the opportunity offered that likelihood of success which its promoters prophesied, the result of the experiment would prove it instantly once and for all. If the six hundred emigrants were once settled happily on the Scioto soil and were satisfied, he estimated that their report to France would inaugurate an emigration the like of which the Old World had never seen—and he was right. I am holding no brief for Joel Barlow, nor do I seek excuse or palliation for his eccentricities of a business nature or his misjudgment of men. But I do hold that his course proves that he believed in the honesty and practicability of the scheme of colonization which he represented to the French people; he was willing to submit the whole project to a test; he was sure that if the test was met and resulted favorably there was no end to the profit to be realized. You may think what you may of Barlow, but you cannot believe that he knew he was foisting a hoax on the French people and yet at the same time was willing to put the whole thing to the only real test possible, actual emigration. Nor can we hold the oft-repeated opinion that he was an impracticable visionary in view of the proof that in only four years after giving up the Scioto land scheme he made and safely invested a fortune equivalent in our day to more than three hundred thousand dollars. At any rate the French six hundred sailed from Havre to meet their Balaklava in America.

I will not venture on the resiliency of your imagination to ask you to consider William Duer's amazement to find six hundred excitable French men and women on his hands, each carrying a deed to Scioto lands of which Duer did not own a single inch. In his alarm, chagrin,

and amazement, he lost sight of the poetic Barlow's vision. In point of fact he had an opportunity such as is granted to few men. His contract with Congress was invaluable. Those Scioto lands were as rich as any exaggerated account of them ever printed. Instead of rising to his opportunity like a man of genius, Duer sank to the depths of pettifogging procrastination. Oddly enough the story of this extraordinary episode is contained in good part in the "Craigie Papers," supplemented by the "Gallipolis Papers" in the archives of the Historical and Philosophical Society of Ohio.

Craigie's connection with the land speculation side of the operations of the Scioto Group and Barlow's mission was very slight, although his participation on the general speculation side had been active. He had gone into "the concern," he wrote Parker, for the purpose of strengthening his "union with Duer."³ I find nothing relating to Barlow or his mission in Craigie's correspondence until the expected arrival of the French in America; he then wrote Barlow (in reply to a letter upbraiding him for failure to keep Barlow advised) typically denying any sense of responsibility in the affair. But the arrival of the French brought amazing responsibilities to the whole coterie of Scioto speculators. Why Craigie should suddenly have become so involved in their affairs I am at a loss to explain; it may be he agreed to act the rôle of a foil for Duer; it is more likely that the actual agents on the spot, Major Guion, Franks and Porter, found Craigie a more responsive and conscientious trustee than anyone else and acted accordingly. The choosing of this latter alternative does not necessarily preclude the partial acceptance of the former.

Barlow had recognized the *crux* of the situation and felt an instinctive fear that all would not be well. He realized at once that for practical emigration purposes the Marietta pioneers were his main hope. As early as November 29, he wrote Duer advising what directions

³ Craigie Papers, I, 11.

should be sent to the Ohio colonists under Putnam.⁴ Early in December he wrote beseeching letters to Duer and Flint, enclosing an open letter to any of the prominent members of the Ohio Company of Associates.⁵ But the Ohio Company itself was in great straits to meet the second payment due on its contract with Congress at this moment, having no legal right to the lands already settled until complete payment was made. Craigie's letter to John Holker of March 11⁶ shows that a compromise effort was being made with members of Congress. To Frazier on the same date Craigie warns his correspondents to secrecy pending the "arrangements" being "made here" [New York].⁷ Already the vanguard of some eighteen who sailed from Havre late in the previous year⁸ were in Philadelphia and Col. David S. Franks was engaged to go to Alexandria with some of these and prepare for the arrival of the remainder. Holker is urged to secrecy. Each emigrant, he is told, is in possession of "a book or map of the land"; these he is to secure if possible lest "impertinent people" get hold of them. Certainly this was a justifiable curiosity on the part of the Scioto Trustees to learn what lands these foreigners had bought from them, especially in view of the fact that they possessed none at all. The reference here is doubtless to the publication issued by the *Compagnie du Scioto* and which is described by numerous writers as an exaggerated account of the richness and desirability of the Scioto region. Members of the Antiquarian Society will recall the article on Dr. Anthony Saugrain in the *Proceedings* of April, 1897. Saugrain, who had toured the Ohio Valley, was a member of the Scioto emigration party. That deception could have influenced such a man and his friends is unreasonable. And surely no exaggeration could exceed the preposterous letter sent to Clavière by Brissot from

⁴ Barlow to Duer, Scioto Papers in N. Y. Public Library.

⁵ Craigie Papers, II, 42.

⁶ *Idem*, I, 50.

⁷ *Idem*, I, 52.

⁸ Gallipolis Papers, I, 49, 139.

Philadelphia, stating that 80,000 families in America by making 1,500 lbs. of maple sugar per year each could ruin the sugar trade of slave-ridden St. Domingo by supplanting it.

By March 17, Franks had gotten all but two of his Frenchmen off for Baltimore; the Musician and the Saddler preferred Philadelphia and Franks had had difficulty already reconciling disputes among themselves and disengaging some who had bound themselves to master tradesmen.⁹ Members of the French colony in Philadelphia took pains to decry the swindling that the *Compagnie du Scioto* had been guilty of in France. But Brissot's scathing criticisms of the French in Philadelphia, a year previous, inclines one to believe that Franks and Porter were dealing with an unruly crew, itself under the bad influences of acclimated French very much opposed to things American.¹⁰

At the same time, the Craigie correspondence shows the New York speculating trustees, Duer, Craigie and Flint in a remarkable light. Could access be had to Duer's correspondence with Franks the matter would appear more plainly; the reader is dumbfounded rather than informed by the Craigie-Porter letters. Franks was engaged by Duer, and Porter, the Alexandria merchant, acted rather as a representative of Craigie. Business relations between him and Daniel Parker & Co. of London made it useful to him to befriend Craigie in the matter of the emigrants in order to deserve a friend at Court in the adjustment of Parker's affairs. Porter's experience with Craigie, as Craigie's must have been with Duer, is beyond explanation. For instance, the endeavor was made to cover the entire transaction with a veil of secrecy. The emigrants, even in Philadelphia, were sworn to secrecy as to destination, prices paid for lands, relationship with the *Compagnie du Scioto*, etc. This, of course, became a jest and made matters more awkward for Franks and Porter. More success

⁹ Craigie Papers, III, 27.

¹⁰ *Idem* III, 28.

was attained in shielding Duer and Craigie. Writing to Craigie of his disappointment over the circulation in Philadelphia of copies of the prospectus issued to the emigrants at Paris, Franks adds: "One thing which may take off from the disagreeableness of the above mentioned Circumstance is, that no Man, *to whom I hold myself accountable at New York* is known or even surmised. Mr. Barlow's name and agency are also utterly unknown to the Public."¹¹ Though Craigie may not have been concerned financially with Duer in the Scioto Association, there can be no question that he would have profited largely had the speculation succeeded; he had everything to gain and nothing to lose. The moral obligation he owed, at least to Porter who bore the brunt of exasperating labors at Alexandria, he very largely ignored. He let numerous letters lie unanswered when circumstances made inaction on Porter's part morally impossible. Porter was Craigie's prospector at the end of the rope over the cliff; if he found gold he would be pulled up, if not he would be dropped. Duer treated Franks with the same inconsequentiality that was given Barlow in France. Throughout March he received not a line of advice or direction from New York; "every post," he writes, "has brought me nothing but disappointment."¹² The silence extended over April 12, in all some 42 days without a line of advice.¹³ Duer's treatment of General Putnam was flagrantly inconsequential even while the latter was advancing four thousand dollars which he was never refunded. It is exasperating to know that Duer was even now promoting a Maine land speculation and putting into it seventeen thousand dollars for a three hundred per cent. profit, while Putnam was sinking four thousand dollars and Porter and Franks were left to be sued by waggoners for transportation of the emigrants.¹⁴ This shows Duer's character. Craigie was not a partner in the

¹¹ Franks to Craigie, 26 March, 1790. Craigie Papers, III, 28.

¹² Franks to Craigie, 31 March. *Idem*, III, 29.

¹³ Franks to Craigie, 12 April. *Idem*, III, 30.

¹⁴ Franks to Craigie, 20 April, 1792. *Idem*, III, 31.

Maine land scheme and evidently knew nothing of it; Flint, however, was an active agent. Franks plainly took all steps to shield the Trustees from discovery; whether because the latter feared to be held responsible for the terms of sale granted by the *Compagnie du Scioto* or because they feared being compelled to fulfill the French company's promise concerning placing the immigrants on their land, or both, is not perfectly clear. In Franks' letter of the 9th we learn for the first time that the character of the mysterious negotiations being carried on with Congress was in the form of a Memorial from Franks himself to Congress which was in the hands of Colonel Wadsworth. No copy of this document or any committee report on it appears in the *Papers of the Continental Congress*.

Porter's and Franks' difficulties were two-fold: to keep the company intact and to aid Guion in forwarding the emigrants across the mountains. In a number of cases Franks had to employ "*douceur*" to disengage some of the emigrants from agreements made with master-tradesmen. As to the moving westward, Franks, and Porter finally, effected an agreement. The emigrants had demanded that the Company pay their board at Alexandria until the day of departure; that they and their baggage be transported to the Scioto, board and lodging to be included *en route* at the rate of twenty-one shillings per head; that the women and children be transported in carriages and the sick taken in ambulances accompanied by physician and nurse; that all proprietors be furnished with two horses, two cows, and a plough, for 250 livres. With unimportant exceptions Franks agreed to the stipulation; the emigrants were granted another year in which to make their second payment on their lands; extra lots and the pacification of the Indians were promised. Major Guion left Alexandria with the vanguard (150) on June 29.¹⁵

¹⁵ Sibley affirms that on the acceptance of the terms of treaty with Franks all claims against the Company, made in Paris, were annulled. *The French Five Hundred and Other Papers*, 38; Craigie Papers, II, 153.

The usual statement made that the French emigrants were not met on their arrival in America by representatives of the Scioto Trustees is modified by a study of the "Craigie Papers"; we have seen that Franks met the advance party in Philadelphia and conducted them southward; by Porter's letter of May 5, we learn of his assiduity in caring for the shiploads that came up the Potomac to Alexandria. Putting the facts together it is plain that the French were met and provided for, but that the agents obeyed their employers in New York by keeping their names and sponsorship secret. Porter's anxiety appears in his remark to Craigie, "'Tis eno' [enough] to say that they are here and that if some person is not immediately exhibited to them who will undertake to conduct them the design of the Company will be extremely injured." With reference to my previous statement concerning Barlow's faith in the result of a successful trial of the emigration experiment, I quote again from Porter to Craigie on May 5: "It only remains for the Company to effect a good settlement of these and those coming, to bring out as many as are wished for." Several side-lights are thrown on the character of the French emigrants; some are said to have been taken out of jails; Count Du Barth desired to secure some formal protection of himself and property by Congress nominally against the Indians but really against the emigrants themselves. "You must smother this idea," writes Porter to Craigie, "and let the Indians be the ostensible reason of granting the aid." The correspondence under review shows the Scioto emigrants came in smaller parties and a larger number of ships than has been reported. The following ships are not mentioned in previous accounts: the "Endeavor," "Recovery," "Patriot," and "Liberty." At least fifty emigrants came bound for three years to the Company and numbers were bound for a year to the ship owners. Misrepresentations regarding the length and cost of the journey from the Potomac to the Scioto in the printed documents put in their hands in Paris first aroused the

ire of the emigrants, and the fact that they sensed the inconsistency of not being met by official representatives is shown by their suspicious treatment of the interpreter provided. No wonder Porter wrote that the "English tongue" makes "but a miserable figure among 500 French Men."

On the 14th day of May, Porter learns finally that General Putnam is not coming to lead the emigrants to the Ohio. As early as March 26th a letter to Porter shows that Putnam was promised as the leader of the Colony and there is nothing to show in the whole range of Ohio or Scioto correspondence an intention of his leading the Company; yet the emigrants had hardly landed ere he was held out to them as the cure-all for their troubles and the Moses of their pilgrimage. The correspondence for this month of May is a very comedy. Porter, who assumed at Craigie's request the office of general factotum at Alexandria out of friendship for Craigie, writes seven letters, some three pages in length, imploring that an authorized agent be sent there, that measures be taken to quell the rebellious spirit of the emigrants by meeting their demands half-way, that the promised leader in the migration be sent on, that arrangements be made for the wilderness voyage to the Ohio—and *every letter begs for a reply to the last*. In the face of all this Craigie writes Joel Barlow on the 24th of the month: "Every exertion has been made to realize in the fullest manner the expectations of the Settlers and they are generally as happy as men can be. The treatment they have received here has not in any respect been short of what your most sanguine wishes could have aimed at."¹⁶ No wonder Porter should write Craigie in the next fortnight; "I declare to you, my friend, that my present situation is extremely unpleasant and my not hearing from you speaks a certain something that mortifies and wounds me to the very Soul." And on the last day of the month Porter sends the following frank statement which sums

¹⁶ Craigie Papers, I, 60.

up the point I wish to make in this paper. After chiding Craigie for sending cautious advice not to become too involved in the Scioto affair (which, if sent at all, should have reached Porter three months earlier) Porter remarks, "How far the Conduct of the agents in France has been marked with regularity or propriety—I know not—but in this Country the business has been conducted in a very improper manner." Thirty-five days later Craigie writes Porter: "You wonder that my caution should come so late—it was as I thought in season, as soon as I discovered the arrangements you were entering into I wrote you—enough is said—the least said is enough to the wise and I am happy in writing to such I thank you for your good opinion of my prudence. I wish it may carry me through and fix me down at least in a tranquil situation—I was not made to battle—it is high time I was in port."

The "Craigie Papers" prove conclusively that the ancient claim that Barlow's irregularities and the alleged embezzlement of his Paris *confrères* cannot longer shield the American trustees from behavior as atrocious as that attributed to any European representatives. Either Duer, Craigie and Flint should have disowned the actions of the *Compagnie du Scioto* frankly and fairly before the world, or should have acted as Craigie represented to Barlow in the letter of May 24th that they had acted. Craigie's letters put the whole Scioto fiasco in a new light which is interesting and valuable so far as it illustrates the conscience of the American speculators of the eighteenth century.

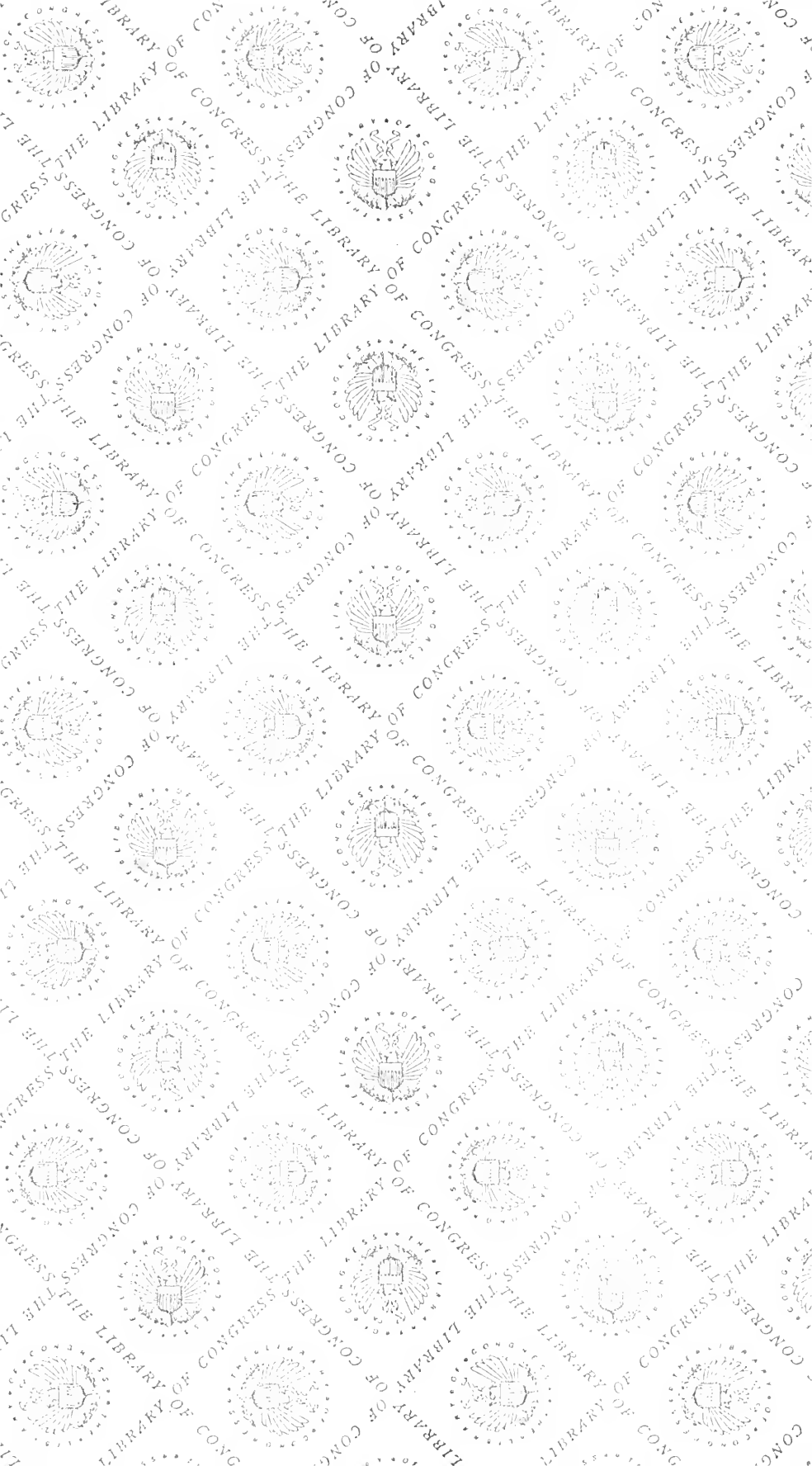














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